CHINA VANKE CO., LTD.*

萬科企業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2202)

(1) CONTINUING CONNECTED TRANSACTION – SUPPLEMENTAL AGREEMENT TO 2025 LOAN FRAMEWORK AGREEMENT (2) CONTINUING CONNECTED TRANSACTION – 2026 LOAN FRAMEWORK AGREEMENT

SUPPLEMENTAL AGREEMENT TO THE 2025 LOAN FRAMEWORK AGREEMENT

References are made to (i) the announcement dated 2 November 2025, the circular dated 4 November 2025 and the voting results announcement dated 20 November 2025 of the Company in relation to the entering into the 2025 Loan Framework Agreement and the transactions contemplated thereunder, which has been approved by the Independent Shareholders.

On 12 May 2026, the Company entered into the Supplemental Agreement to the 2025 Loan Framework Agreement with Shenzhen Metro Group, the substantial Shareholder of the Company, pursuant to which both parties agreed to introduce additional forms of security for the loans under the Original Agreement and updated the relevant collateral and loan-to-value ratio requirements.

THE 2026 LOAN FRAMEWORK AGREEMENT

On 12 May 2026, the Company entered into the 2026 Loan Framework Agreement with Shenzhen Metro Group, the substantial Shareholder of the Company, pursuant to which Shenzhen Metro Group agreed to provide the Loan to the Company in an aggregate principal amount of up to RMB2.5 billion. It primarily covers: (i) unsecured (including where no Asset Collateral is provided, or where an Asset Collateral has been provided but is subsequently confirmed to be impossible to implement, in whole or in part) credit loans already provided by Shenzhen Metro Group to the Company pursuant to the Designated Agreement(s) (as defined below) prior to the Effective Date; and (ii) secured loans to be provided by Shenzhen Metro Group to the Company on or after the Effective Date in Definitive Agreements, in accordance with the terms and conditions of the 2026 Loan Framework Agreement.

IMPLICATIONS UNDER THE LISTING RULES

The Company has strictly complied with the announcement and Independent Shareholders' approval requirements regarding continuing connected transactions under the 2025 Loan Framework Agreement. As the Supplemental Agreement constitutes a material change to the terms of the Original Agreement, the Company is required to re-comply with the announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Supplemental Agreement and the transactions contemplated thereunder.

As at the date of this announcement, Shenzhen Metro Group is a substantial Shareholder holding approximately 27.18% of the total issued share capital of the Company, and hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the 2026 Loan Framework Agreement and transactions contemplated thereunder (including the proposed Annual Cap and the provision of the Asset Collateral) constitute a continuing connected transaction of the Company.

As one of the applicable percentage ratios in respect of the 2026 Loan Framework Agreement and transactions contemplated thereunder exceeds 5%, it constitutes a continuing connected transaction of the Company and, together with the proposed Annual Cap, are subject to the reporting, announcement, annual review, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee has been established to advise the Independent Shareholders as to whether the terms of the transactions contemplated under the Supplemental Agreement to the 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement (including the proposed Annual Cap and the provision of the Asset Collateral) are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business and whether they are in the interests of the Company and its Shareholders as a whole. The Independent Financial Advisor has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether or not the terms of the Supplemental Agreement to the 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement (including the proposed Annual Cap and the provision of the Asset Collateral) are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business so far as the Independent Shareholders are concerned and are in the interest of the Company and the Shareholders as a whole.

GENERAL MEETING

The General Meeting will be convened for the Shareholders to consider and, if thought fit, approve, among other things, the Supplemental Agreement to the 2025 Loan Framework Agreement, the 2026 Loan Framework Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (i) details of the Supplemental Agreement to the 2025 Loan Framework Agreement; (ii) details of the 2026 Loan Framework Agreement (including the proposed Annual Cap and the provision of the Asset Collateral); (iii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders; (iv) a letter of advice from the Independent Financial Advisor to the Independent Board Committee and the Independent Shareholders; and (v) a notice of the General Meeting, is expected to be despatched to the Shareholders no later than 14 May 2026.

BACKGROUND

References are made to (i) the announcement dated 2 November 2025, the circular dated 4 November 2025 and the voting results announcement dated 20 November 2025 of the Company in relation to the entering into the 2025 Loan Framework Agreement and the transactions contemplated thereunder, which has been approved by the Independent Shareholders.

The following table sets forth a summary of the key terms of the Original Agreement, the details of which were disclosed in the announcement and circular of the Company dated 2 and 4 November 2025, respectively:

Date: 2 November 2025

Parties:

(a) the Company (as borrower); and

(b) Shenzhen Metro Group (as lender).

Key Provisions:

Loan. The maximum loan amount of RMB22,000,000,000 that the Company intends to draw, or has already drawn, during the period from 2025 to the date of the Company's annual general meeting for 2025, which is expected to be held no later than 30 June 2026.

Term. The term of the 2025 Loan Framework Agreement shall be three years from the effective date of the framework agreement (i.e., 20 November 2025), subject to extension as agreed between the parties.

Interest. Subject to compliance with applicable laws and regulations, the interest rate of the loan for each drawdown under the 2025 Loan Framework Agreement shall be the higher of: (i) 2.34%; or (ii) prevailing one-year LPR minus 66 basis points (i.e., LPR-0.66%), calculated on an annualized basis using the simple interest method.

Use of the Loan. The proceeds from the loan made under the 2025 Loan Framework Agreement shall be used to repay and settle the principal and interests accrued under various debts issued by the Company in the open market and the designated loan interests accrued as agreed by Shenzhen Metro Group. The Company shall not use the relevant loan for any other purposes without Shenzhen Metro Group's written consent.

Asset Collateral. The Company shall provide the Asset Collateral in favour of Shenzhen Metro Group, serving as security for the each of loan(s) under the 2025 Loan Framework Agreement. The parties shall separately enter into definitive agreements for the relevant Asset Collateral, which set out provisions including, among other matters, the respective rights and obligations of the parties, the applicable loan-to-value ratio, the procedures for execution and release of the Asset Collateral and the liabilities arising from any breach of the agreement.

The Asset Collateral shall include legal operating properties, fixed assets, inventories, construction in progress, stocks and/or equity interests held by the Group in unlisted companies. If the Asset Collateral has defects or is subject to commercial disputes or other rights restrictions, the Company shall use the best endeavours to eliminate such defects, ensure that the relevant assets are eligible for collateral, or remove any impediment to Shenzhen Metro Group's exercise of its security rights, failing which Shenzhen Metro Group reserves the right to require the Company to provide new collateral or to repay part of the loan under the 2025 Loan Framework Agreement in advance within a specified period.

Security level. The initial security level of provision of the Asset Collateral is determined based on a loan-to-value ratio of 60% to 70% in the case of operating properties, fixed assets, inventories, construction in progress and stocks (as the case may be), and 50% to 60% in the case of equity interests held by the Group in unlisted companies, If the value of the Asset Collateral decreases such that the loan-to-value ratio exceeds the above threshold, the Company shall, within the period specified by Shenzhen Metro Group, provide new qualified Asset Collateral or repay part of the relevant loan; the specific arrangements will be set out in the security agreement to be signed by the parties. Also, if the Asset Collateral becomes subject to title dispute, seizure or distraint, the Company shall promptly notify Shenzhen Metro Group and provide other security acceptable to it.

Early release. If the Company makes an early repayment of the relevant loan under the 2025 Loan Framework Agreement in advance of the repayment schedule, the parties may release the Asset Collateral of corresponding value, to ensure that the applicable loan-to-value ratio remains no less than the specified initial security level stipulated above. Shenzhen Metro Group should actively cooperate with the relevant release procedures (if applicable).

Enforcement of security. Each Asset Collateral would become enforceable and disposable (in whole or in part) by Shenzhen Metro Group in accordance with applicable laws and regulations should the Company fail to fully and timely fulfil its repayment obligations in respect of the relevant definitive agreement for the loan under the 2025 Loan Framework Agreement.

Annual Cap: The proposed annual caps in respect of the 2025 Loan Framework Agreement are set out below:

Annual Cap for:	For the period from the Effective Date to 31 December 2025	For the year ending 31 December 2026	For the year ending 31 December 2027	For the period from 1 January 2028 to the expiration date of the Loan Framework Agreement
Maximum principal amount	RMB22 billion	RMB22 billion	RMB22 billion	RMB22 billion
Estimated maximum accrued interest	RMB214.29 million	RMB566.28 million	RMB566.28 million	RMB343.82 million

SUPPLEMENTAL AGREEMENT TO THE 2025 LOAN FRAMEWORK AGREEMENT

On 12 May 2026, the Company entered into the Supplemental Agreement to the 2025 Loan Framework Agreement with Shenzhen Metro Group, the substantial Shareholder of the Company, pursuant to which both parties agreed to introduce additional forms of security for the loans under the Original Agreement and updated the relevant collateral and loan-to-value ratio requirements. The principal terms of the Supplemental Agreement and the key supplementary provisions are set out below:

Date: 12 May 2026

Parties:

(a) the Company; and

(b) Shenzhen Metro Group.

Key Supplementary Provisions:

Asset Collateral

In addition to the legal operating properties, fixed assets, inventories, construction in progress, stocks and/or equity interests held by the Group in unlisted companies that the Group is permitted under the Original Agreement to provide as the Asset Collateral in favor of Shenzhen Metro Group, the parties further agree to accept the following as the Asset Collateral:

(1) the legal operating properties, fixed assets, inventories, construction in progress, stocks and/or equity interests in unlisted companies provided and owned by *a third party designated by the Company*; and

(2) partnership interests, notes, certificates of deposit, creditor's rights, accounts receivable, rights to future project proceeds, or other assets and property rights that may be pledged, mortgaged, or used as security pursuant to laws and administrative regulations, provided and owned by the Group or *a third party designated by the Company*.

Both parties and other relevant parties shall enter into a separate Definitive Agreement for the relevant Asset Collateral, which sets out provisions including, among other matters, the respective rights and obligations of the parties, the applicable loan-to-value ratio, the procedures for execution and release of the Asset Collateral and the liabilities arising from any breach of the agreement.

Security level

The initial security level based on the appraised value of provision of the Asset Collateral is determined based on a loan-to-value ratio of 60% to 100% in the case of operating properties, fixed assets, inventories, construction in progress and stocks (as the case may be); and the initial security level based on the appraised value or carrying value of provision of the Asset Collateral is determined based on a loan-to-value ratio of 50% to 100% in the case of equity interests in unlisted companies, partnership interests, notes, certificates of deposit, creditor's rights, accounts receivable, rights to future project proceeds, or other assets and property rights that may be pledged, mortgaged, or used as security pursuant to laws and administrative regulations (as the case may be).

If the value of the Asset Collateral decreases such that the loan-to-value ratio exceeds the above threshold, the Company and other relevant parties shall, within the period specified by Shenzhen Metro Group, provide new qualified Asset Collateral or repay part of the loans; the specific arrangements will be set out in the security agreement to be signed by the parties and other relevant parties.

Guarantee

Shenzhen Metro Group reserves the right to require the Company to designate its subsidiary or other third party to provide Guarantee for the relevant loan under the Original Agreement, and the Company shall designate such entity approved by Shenzhen Metro Group to provide the Guarantee accordingly. The Guarantor shall be a legal person or unincorporated body that is duly registered, lawfully subsists, and operates normally, and shall possess a certain capacity to repay debts.

With respect to the aforementioned credit enhancement measures, if the Asset Collateral provided by the Group or a third party designated by the Company as security or their ancillary assets are subject to defects, commercial disputes, litigation or other encumbrances, or if the Guarantor is dissolved or in bankruptcy or experiences a deterioration in its financial condition (as specifically defined in the security document), the Group or the third party designated by the Company shall use its best efforts to eliminate the relevant impact to procure that the relevant assets are included within the scope of collateral or to provide a new Guarantee, or to remove any impediment of Shenzhen Metro Group in exercising its security rights, failing which Shenzhen Metro Group reserves right to require the Company to provide new collateral or to repay part of the loans in advance within a specified period.

If the Company fails to fully and timely fulfill its repayment obligations under the relevant individual loan agreements, Shenzhen Metro Group shall, in accordance with the specific terms of the corresponding specific Definitive Agreement and applicable laws and regulations, enforce and dispose of (all or part of) the security or require the Guarantor to assume the corresponding liability.

If the Company fails to provide the necessary Asset Collateral or the Guarantee for the loans actually drawn under the Amended 2025 Loan Framework Agreement, Shenzhen Metro Group has the right to demand immediate repayment of the principal and interest of such loans that have not been secured with the Asset Collateral or the Guarantee.

Conditions Precedent: The Supplemental Agreement shall become effective upon fulfilment of the following conditions:

(1) the seals of both parties having been affixed; and

(2) all necessary authorisations or approval of Supplemental Agreement to the 2025 Loan Framework Agreement (including the Independent Shareholders' approval by the Company at the General Meeting) having been obtained in accordance with their articles of association of both parties and the applicable laws, regulations and the listing rules (including the Listing Rules).

The aforementioned conditions precedent are not waivable by the parties. As at the date of this announcement, condition precedent (1) above has been satisfied.

Other Terms: The Supplemental Agreement is supplementary to the Original Agreement and constitutes an integral part thereof, having the same legal effect as the Original Agreement. Except where the terms of the Original Agreement conflict with those of the Supplemental Agreement (in which case the terms of the Supplemental Agreement shall prevail), all other terms and conditions of the Original Agreement remain unchanged and continue to be binding on both parties, who shall continue to perform their obligations under the Original Agreement.

Except for the additional forms of security and changes to the loan-to-value ratio set forth in the "Key Supplementary Provisions" above, all other terms of the Original Agreement and its annual caps remain unchanged. For details regarding the other terms of the Amended 2025 Loan Framework Agreement, please refer to the circular of the Company dated 4 November 2025.

As at 31 December 2025 and the date of this announcement, the total amounts utilized under the Original Agreement were RMB21.631 billion and RMB22 billion, respectively, and the interests incurred for the year ended 31 December 2025 and the period from 1 January 2026 to 31 March 2026 were RMB202.75 million and RMB125.90 million, respectively.

BASIS FOR DETERMINATION AND REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT AND TRANSACTIONS CONTEMPLATED THEREUNDER

The initial loan-to-value ratio for the additional Asset Collateral under the Supplemental Agreement is similar to or more favorable than that of previous similar Asset Collateral arrangements between the Company and Shenzhen Metro Group. For further details, please refer to the considerations set forth in the section "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE 2026 LOAN FRAMEWORK AGREEMENT AND TRANSACTIONS CONTEMPLATED THEREUNDER" below.

The primary reason for the Company entering into the Supplemental Agreement is to provide additional categories of Asset Collateral to the Company for use as a borrower under the 2025 Loan Framework Agreement. Through the Supplemental Agreement, the Company can manage the relevant Asset Collateral more effectively, including arrangements for replacement, renewal and addition, to meet borrowing needs and enhance the flexibility of capital utilization. At the same time, by increasing the maximum acceptable loan-to-value ratio for each category of Asset Collateral, the Company can obtain the same borrowing limit while providing less Asset Collateral for each loan, thereby improving the Group's asset utilization efficiency and enhancing financial flexibility to further support business development.

The Group may replace or update Asset Collateral as provided, or add new Asset Collateral having regard to, among other things, the latest operation plans of each relevant projects (involving asset disposals and equity exits), changes in asset values following evaluations, and the amount of borrowings without collateral. The procedures for replacement, update and addition of Asset Collateral shall follow the internal control measures governing the selection of appropriate Asset Collateral, including a comprehensive assessment of the operating status of the relevant asset and the Group's overall planning, approval by the Group's investment and financing committee, and execution of formal agreements.

Regarding the additional provision of Guarantee under the Supplemental Agreement, the Board has considered that it, together with the Asset Collateral, forms part of the overall credit enhancement measures for the loans under the Amended 2025 Loan Framework Agreement. In particular, (i) taking into account, among other matters, the provision of Guarantee to be designated by the Company under the Supplemental Agreement, Shenzhen Metro Group has agreed to accept a broader range of Asset Collateral and a higher loan-to-value ratio to the Asset Collateral, thereby enhancing the Group's financing flexibility and enables the Group to utilise a wider asset base to secure the loans. Having considered that such loan-to-value ratio is at least comparable to, or more favourable than, prevailing market standards, and that reflects Shenzhen Metro Group's continued support for the Group, the Board is of the view that the overall arrangement is conducive to maintaining a constructive and stable relationship with Shenzhen Metro Group; and (ii) provision of both guarantees and asset collateral to secure loans by the Group is not inconsistent with its established financing practice. As disclosed in the Company's 2025 annual report under the section headed "Significant Events – Major Guarantees", the Group has historically adopted a combination of guarantees and asset collateral to support certain borrowings. Accordingly, the current arrangement does not represent a departure from past practice but rather reflects a continuation of the Group's customary approach to securing financing.

Based on the foregoing and after reviewing the terms of the Supplemental Agreement, the Directors (excluding the Independent Non-executive Directors, who will express their views after considering the Independent Financial Adviser's advice) are of the view that, although the Supplemental Agreement and the transactions contemplated thereunder are not entered into in the ordinary and usual course of the Group's business, the terms of the Supplemental Agreement are on normal commercial terms, are fair and reasonable, and are in the interests of the Company and the shareholders as a whole.

With respect to the Amended 2025 Loan Framework Agreement, the Company will continue to comply with the internal control measures as set out in the paragraph "INTERNAL CONTROL MEASURES" below.

THE 2026 LOAN FRAMEWORK AGREEMENT

On 12 May 2026, the Company entered into the 2026 Loan Framework Agreement with Shenzhen Metro Group, the substantial Shareholder of the Company, pursuant to which Shenzhen Metro Group agreed to provide the Loan to the Company in an aggregate principal amount of up to RMB2.5 billion.

The principal terms of the 2026 Loan Framework Agreement are set out below:

Date: 12 May 2026

Parties:

(a) the Company (as borrower); and

(b) Shenzhen Metro Group (as lender).

Loan: The maximum loan amount of RMB2,500,000,000 that the Company intends to draw, or has already drawn, during the period from 1 January 2026 to 31 December 2026 (the "**Available Period**"). It primarily covers: (i) unsecured (including where no Asset Collateral is provided, or where an Asset Collateral has been provided but is subsequently confirmed to be impossible to implement, in whole or in part) credit loans already provided by Shenzhen Metro Group to the Company pursuant to the Designated Agreement(s) (as defined below) prior to the Effective Date; and (ii) secured loans to be provided by Shenzhen Metro Group to the Company on or after the Effective Date in Definitive Agreements, in accordance with the terms and conditions of the 2026 Loan Framework Agreement. For the avoidance of doubt, such loans do not include those amounts already covered under the Amended 2025 Loan Framework Agreement.

Subject to the terms and conditions of the 2026 Loan Framework Agreement, the Company may draw down the Loan in multiple tranches during the Available Period. The Company and Shenzhen Metro Group shall separately enter into Definitive Agreements for the relevant drawdowns.

Any execution of the Definitive Agreement(s) for the Loan must be completed not later than the expiry of the Available Period, and the aggregate loan amount (including the principal amounts drawn and to be drawn) shall not exceed RMB2,500,000,000 under the Available Period.

Term: The term of the 2026 Loan Framework Agreement shall be three years from the Effective Date, subject to extension as agreed between the parties.

Unless otherwise agreed or extended, the term of each Definitive Agreement for the Loan made under the 2026 Loan Framework Agreement shall be no more than three years, as determined between the parties under the Definitive Agreement. The outstanding principal of the Loan, together with accrued interest (if any), shall be repaid in full on or before the date falling three years from the Effective Date, unless all such amounts remain valid pursuant to a renewal or extension of the 2026 Loan Framework Agreement and/or the relevant Definitive Agreement(s) (as the case may be). In the event of such renewal or extension, the Company shall re-comply with the reporting, announcement and/or Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules as and when required.

As agreed between the parties, upon the 2026 Loan Framework Agreement becoming effective, certain loan agreement(s) (the "**Designated Agreement(s)**") already entered into by the parties from the beginning of 2026, being pure credit loans not secured by any asset collateral, will constitute Definitive Agreements as the Company will enter into security agreement(s) to provide Asset Collateral for such Designated Agreement(s) that bring them within scope of the 2026 Loan Framework Agreement, and accordingly, the principal amount already drawn thereof shall form part of the Loan amount under the 2026 Loan Framework Agreement. Provided that the provisions under the Designated Agreement(s) do not contravene the terms and conditions of the 2026 Loan Framework Agreement, applying the 2026 Loan Framework Agreement to such Designated Agreement(s) serves as a mean to achieve the provision of Asset Collateral under those Designated Agreement(s). Details of the Designated Agreement(s) are set out in the sub-section headed "Designated Agreement(s)" below in this announcement.

As at the date of this announcement, (i) the Designated Agreement(s) has/have an aggregated maximum principal amount of approximately RMB2.36 billion, among of which, approximately RMB2.359 billion has been drawn down by the Company; (ii) the undrawn balance under the Designated Agreement(s), amounting to approximately RMB0.001 billion, is no longer available to the Company as the drawdown periods under the respective Designated Agreement(s) has/have expired; and (iii) accordingly, the Company may draw down an additional new loan principal of approximately RMB0.141 billion under the 2026 Loan Framework Agreement.

Interest of the Loan: Subject to compliance with applicable laws and regulations, the interest rate of the Loan for each drawdown shall be the higher of: (i) 2.34%; or (ii) prevailing one-year LPR one business day prior to each loan drawdown date (the first interest rate fixing date) minus 66 basis points (i.e., LPR-0.66%), calculated on an annualized basis using the simple interest method. The interest would accrue on a daily basis from the actual drawdown date and settled mostly on a quarterly basis. When the relevant Loan is due under the Definitive Agreement, the remaining accrued interest shall be settled together with the principal. These interests are intended to be funded by the Group's internal resources. The interest rate and payment terms of each Loan shall be specified in the corresponding Definitive Agreement.

The interest rate is determined on normal commercial terms or better, after arm's length negotiations and with reference to the considerations set out in the paragraphs headed "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF 2026 LOAN FRAMEWORK AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER" of this announcement. The Company will ensure that, before entering into Definitive Agreement for the Loan, each interest rate will be fair, reasonable and no less favourable than the normal commercial terms provided by Independent Third Parties.

Use of the Loan: The proceeds from the Loan shall be used to repay and settle the principal and interests accrued under various debts issued by the Company in the open market and the designated loan interests accrued as agreed by Shenzhen Metro Group. The Company shall not use the Loan for any other purposes without Shenzhen Metro Group's written consent. For details, please refer to the section headed "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE 2026 LOAN FRAMEWORK AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER" of this announcement.

Conditions Precedent: The 2026 Loan Framework Agreement shall become effective upon fulfilment of the following conditions:

(1) the seals of both parties having been affixed; and

(2) all necessary authorisations or approval of the 2026 Loan Framework Agreement and the Annual Cap thereunder (including the Independent Shareholders' approval by the Company at the General Meeting) having been obtained in accordance with their articles of association of both parties and the applicable laws, regulations and the listing rules (including the Listing Rules).

The aforementioned conditions precedent are not waivable by the parties. As at the date of this announcement, condition precedent (1) above has been satisfied.

Credit enhancement measures:

Asset Collateral. The Group or a third party designated by the Company shall provide the Asset Collateral in favour of Shenzhen Metro Group, serving as security for the each of loan(s) (which constitute the Loan) under the 2026 Loan Framework Agreement. The parties and other relevant parties shall separately enter into Definitive Agreements for the relevant Asset Collateral, which set out provisions including, among other matters, the respective rights and obligations, the applicable loan-to-value ratio, the procedures for execution and release of the Asset Collateral and the liabilities arising from any breach of the agreement.

The Asset Collateral shall include legal operating properties, fixed assets, inventories, construction in progress, stocks, equity interests owned in unlisted companies, partnership interests, notes, certificates of deposit, creditor's rights, accounts receivable, rights to future project proceeds and/or other assets and property rights that may be pledged, mortgaged, or used as security pursuant to laws and administrative regulations, provided by the Group or a third party designated by the Company.

Security level. (i) The initial security level based on the appraised value of provision of the Asset Collateral is determined based on a loan-to-value ratio of 60% to 100% in the case of operating properties, fixed assets, inventories, construction in progress and stocks (as the case may be); and (ii) the initial security level based on the appraised value or carrying value of provision of the Asset Collateral is determined based on a loan-to-value ratio of 50% to 100% in the case of equity interests in unlisted companies, partnership interests, notes, certificates of deposit, credits and accounts receivable, rights to future project proceeds, or other assets and property rights that may be pledged, mortgaged, or used as security pursuant to laws and administrative regulations (as the case may be). The loan-to-value ratio is calculated using the following formula:

$$\textit{Loan-to-Value Ratio} = A / B$$

Where:

A = the total sum of principal accrued of the Loan under the relevant Definitive Agreement

B = the value of the Asset Collateral under the relevant Definitive Agreement, as determined by the valuation results from the appraisal agencies to be appointed by both parties (except for security measured at carrying value)

The Company will ensure that, before entering into Definitive Agreement for the Asset Collateral, each security level of the Asset Collateral will be fair, reasonable and no less favourable than the normal commercial terms acceptable to Independent Third Parties. The value of the relevant Asset Collateral shall generally be appraised and determined by an independent valuer with the requisite qualifications recognized by both parties. The choice of valuation method shall be determined by the independent valuer based on a comprehensive assessment of the appraisal target, type of value, completeness of available information and prevailing market conditions, with an appropriate methodology adopted after evaluating its applicability.

If the value of the Asset Collateral decreases such that the loan-to-value ratio exceeds the above threshold, the Company and other relevant parties shall, within the period specified by Shenzhen Metro Group, provide new qualified Asset Collateral or repay part of the Loan; the specific arrangements will be set out in the security agreement to be signed by the parties and other relevant parties. Also, if the Asset Collateral becomes subject to title dispute, seizure or distraint, the Company shall promptly notify Shenzhen Metro Group and provide other security acceptable to it.

Early release. If the Company makes an early repayment of the Loan in advance of the repayment schedule, the parties may release the Asset Collateral of corresponding value, to ensure that the applicable loan-to-value ratio remains no less than the specified initial security level stipulated above. Shenzhen Metro Group should actively cooperate with the relevant release procedures (if applicable).

Guarantee. Shenzhen Metro Group reserves the right to require the Company to designate its subsidiary or other third party to provide Guarantee for the relevant Loans under the New Agreement, and the Company shall designate such entity approved by Shenzhen Metro Group to provide the Guarantee accordingly. The Guarantor shall be a legal person or unincorporated body that is duly registered, lawfully subsists, and operates normally, and shall possess a certain capacity to repay debts.

Enforcement of security. Each Asset Collateral would become enforceable and disposable (in whole or in part) by Shenzhen Metro Group in accordance with applicable laws and regulations or the Guarantor shall be requested to assume the corresponding liability should the Company fail to fully and timely fulfil its repayment obligations in respect of the relevant Definitive Agreement for the Loan.

The enforcement measures available for Shenzhen Metro Group may include, to the extent applicable: (i) selling the collateral to repay the debt under the Loan; (ii) exercising the collateral right by applying to the court for enforcement, thereby disposing of the collateral by discounting or auctioning it to repay the debt under the Loan; (iii) auctioning the collateral or obtaining proceeds in other forms for priority repayment in accordance with law; (iv) receiving priority repayment from dividends by virtue of the collateral; and/or (v) initiating legal proceedings in the People's Court or taking other necessary measures as prescribed by law. The relevant enforcement measures shall be governed by the separate Definitive Agreement for the Asset Collateral.

In the event that Shenzhen Metro Group enforces its security rights under the Definitive Agreements, it may result in a partial or complete transfer or disposal of the Asset Collateral. Consequently, the Group's assets (such as investment properties and inventory) and the associated business operations may shrink in scale. However, as the maximum amount of Asset Collateral is estimated to account for only approximately 0.24% to 0.49% of the Group's total assets based on its audited consolidated financial statements as at 31 December 2025, the anticipated impact on the operational and financial aspects of the Company would be considered to be limited in such regard.

In any event, to reduce the enforcement risk as illustrated above, the Company will make every effort to ensure the timely and full repayment of the principal and interests accrued under the Loan through its regular operations or various financing channels, and remain diligent in managing its business operations to provide for operating cashflows and support the timely repayment. In addition, the Company may separately agree with Shenzhen Metro Group in the Definitive Agreements that it may apply for an extension of the relevant separate Loan with Shenzhen Metro Group, subject to the latter's review and approval. In the event of an extension, the Company shall re-comply with the reporting, announcement and/ or Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules as and when required. Accordingly, the risk associated with the enforcement of the Asset Collateral by Shenzhen Metro Group is considered to be controllable. Based on the above and the considerations set out in the section headed "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE 2026 LOAN FRAMEWORK AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREUNDER", the Directors considered that the Asset Collateral is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

With respect to the aforementioned credit enhancement measures, if the Asset Collateral provided by the Group or a third party designated by the Company as security or their ancillary assets, are subject to defects, commercial disputes, litigation, or other encumbrances, or if the Guarantor is dissolved or in bankruptcy or experiences a deterioration in its financial condition (as specifically defined in the security document), the Group or the third party designated by the Company shall use its best efforts to eliminate the relevant impact to procure that the relevant assets are included within the scope of collateral or to provide a new Guarantee, or to remove any obstacles faced by Shenzhen Metro Group in exercising its security rights, or otherwise, Shenzhen Metro Group shall have the right to require the Company to provide a new security within a specified period or to repay part of the Loan in advance.

If the Company fails to provide the necessary Asset Collateral or the Guarantee for the loans actually drawn under the Loan, Shenzhen Metro Group has the right to demand immediate repayment of the principal and interest of such loans that have not been secured with the Asset Collateral or the Guarantee.

Designated Agreement(s)

The table below sets forth the details of the proposed Designated Agreement(s) as at the date of this announcement:

No.	Transaction date	Maximum borrowing amount *(RMB billion)*	Drawdown amount *(RMB billion)*	Term (subject to potential extension)	Borrowing rate	Settlement Term of Interest
1	27 January 2026	2.36	2.359	36 months	LPR less 66 basis points	Accrued on a daily basis from the date of actual drawdown, and shall be settled on a quarterly basis

PROPOSED ANNUAL CAPS AND BASIS FOR DETERMINATION

The proposed Annual Caps in respect of the Loan Framework Agreement are set out below:

Annual Cap for:	For the period from the Effective Date to 31 December 2026	For the year ending 31 December 2027	For the year ending 31 December 2028	For the period from 1 January 2029 to the expiration date of the Loan Framework Agreement
Maximum principal amount	RMB2.5 billion	RMB2.5 billion	RMB2.5 billion	RMB2.5 billion
Estimated maximum accrued interest	RMB0.0577 billion	RMB0.0644 billion	RMB0.0644 billion	RMB0.0077 billion

For clarity, pursuant to the Loan Framework Agreement, the Loan is a one-time line of credit, and any repaid principal amount of the Loan under the relevant Definitive Agreements shall not refresh the total amount available for drawdown within the term of the Loan Framework Agreement. Accordingly, the proposed Annual Caps will not be freshed to allow for further drawdowns following any repayment of the Loan.

The proposed Annual Caps were determined with reference to: (i) the total principal amount of the Loan available for drawdown under the 2026 Loan Framework Agreement at RMB2,500,000,000; (ii) the estimated maximum interest accrued in aggregate during the term of the 2026 Loan Framework Agreement, which is calculated based on the prevailing one-year LPR minus 66 basis points as at the date of this announcement (i.e., 2.34%), multiplying it by the maximum principal amount and adding a buffer of 10% (interest already accrued not applicable) with reference to the one-year LPR trend in recent years, to contemplate for potential rise of one-year LPR during the term; (iii) the unsecured previous shareholder's loans provided by Shenzhen Metro Group to the Company in 2026 and up to the date of this announcement, with an aggregated principal amount drawn of approximately RMB2.359 billion; and (iv) the potential financial needs of the Group as well as reasons for and benefits of entering into the 2026 Loan Framework Agreement detailed in the section headed "BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE 2026 LOAN FRAMEWORK AGREEMENT AND TRANSACTIONS CONTEMPLATED THEREUNDER" below.

The Company's risk exposure arising from the financial assistance received from Shenzhen Metro Group that is secured by the Group's assets, as indicated by (i) the maximum possible principal amount of such outstanding loans; and (ii) the aggregated accrued interest for each of the three years ending 31 December 2028, respectively, estimated based on the historical arrangements set out in the section headed "Historical borrowing and collateral arrangements" in this announcement, together with the annual caps of the Amended 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement (collectively, the "**Loan Arrangements**"), is set forth in the table below:

Unit: RMB Billion

		For the year ending 31 December 2026	**For the year ending 31 December 2027**	**For the year ending 31 December 2028**
Estimated maximum principal amount of outstanding loans (peak value) during the year	2025 Loan Framework Agreement	22.000	22.000	22.000
	2026 Loan Framework Agreement	2.500	2.500	2.500
	Other secured loans from Shenzhen Metro Group *Note*	9.024	9.024	9.024
	Total	**33.524**	**33.524**	**33.524**
Estimated aggregated interest accrued during the year	2025 Loan Framework Agreement	0.566	0.566	0.344
	2026 Loan Framework Agreement	0.058	0.064	0.064
	Other secured loans from Shenzhen Metro Group *Note*	0.232	0.232	0.052
	Total	**0.856**	**0.863**	**0.460**

Note: These secured loans represent, in aggregate, the historical arrangements set out in the section headed "Historical borrowings and collateral arrangements" in this circular.

The above figures are preliminary estimates only based on the terms of the Loan Arrangements (including the annual caps set therein) and do not represent the Company's commitment or projection of the actual arrangements, which will depend on the Group's actual operations and financial conditions during the relevant periods, may be subject to review and audit by the Group's auditors, and thus may differ from the figures set out above.

BASIS FOR DETERMINING THE INTEREST RATE OF THE LOAN AND THE LOAN-TO-VALUE RATIO OF THE ASSET COLLATERAL, AND REASONS FOR AND BENEFITS OF THE 2026 LOAN FRAMEWORK AGREEMENT AND TRANSACTIONS CONTEMPLATED THEREUNDER

The proceeds from the Loan would be used to repay and settle the principal and interests accrued under various debts issued by the Company in the open market and the designated loan interests accrued as agreed by Shenzhen Metro Group. As of the date of this announcement, the Loan has been or is expected to be used in whole or in part for the principal and/or interest of bonds issued in the public market as listed in the tables below:

Bonds with principal and/or interest due on or before the date of this announcement

Name of bonds	Abbreviation of bonds	Date of payment of principal and/or interest	Due dates of outstanding amount of principal and/or interest not yet due as of the date of this announcement	Principal and/or interest repaid as at date of this announcement *(RMB billion)*	Outstanding amount of principal and/or interest not yet due as of the date of this announcement *(RMB billion)*
China Vanke Co., Ltd. medium-term notes in 2022 (fourth tranche)	22 Vanke MTN004	2026/1/28	2026/12/15	0.86	1.235
China Vanke Co., Ltd. medium-term notes in 2022 (fifth tranche)	22 Vanke MTN005	2026/1/28	2026/12/28	1.60	2.285
China Vanke Co., Ltd. 2021 corporate bonds specialized in rental housing to qualified investors in public (first tranche) (variety II)	21 Vanke 02	2026/1/22 2026/1/30	2027/1/22	0.04 0.43	0.624
China Vanke Co., Ltd. medium-term notes in 2023 (first tranche)	23 Vanke MTN001	2026/4/23	2027/4/23	0.86	1.235
Total				**3.79**	**5.379**

A portion of abovementioned repaid principals and/or interests have been settled by Loan. Specifically, among the RMB3.79 billion repaid, a total of RMB2.359 billion was settled by the Loan, RMB0.369 billion was settled by the loan from 2025 Loan Framework Agreement, and the remaining RMB1.062 billion was settled by self-raised funds of the Company.

Bonds with principal and/or interest due after the date of this announcement

Name of bonds	**Abbreviation of bonds**	**Date of payment of principal and/or interest**	**Principal and/or interest to be repaid** *(RMB billion)*
China Vanke Co., Ltd. medium-term notes in 2023 (second tranche)	23 Vanke MTN002	2026/5/12	2.062
China Vanke Co., Ltd. 2021 corporate bonds specialised in rental housing to qualified investors in public (second tranche) (variety II)	21 Vanke 04	2026/5/20	0.587
China Vanke Co., Ltd. 2022 corporate bonds to professional investors in public (second tranche) (variety II)	22 Vanke 04	2026/6/6	0.023
China Vanke Co., Ltd. medium-term notes in 2023 (third tranche)	23 Vanke MTN003	2026/6/15	2.061
Total			**4.733**

The Company shall arrange for the utilisation of the Loan to partially settle the principals and/or interests accrued under aforesaid bonds to be repaid based on actual funding needs at the time of repayments. Even though the size of the Loan does not cover the entire payables to the aforesaid bonds, the Board is of the view that, in light of Shenzhen Metro Group's contractual right to seek asset collateral in the existing Definitive Agreements and the potentially higher cost of capital incurred in securing new external financing from banks and/or financial institutions as detailed below, the proposed Loan and the associated Annual Cap is fair and reasonable. Regarding outstanding principals and interests accrued under the aforesaid bonds and the other bonds, the Company intends to settle them with the Group's operating cashflow and/or other external financing sources.

The Company has considered alternative financing such as financing originated from banks; however, taking into account the comprehensive cost of existing financing of 3.02% of the Group in late 2025 (being the weighted average cost calculated using the balance of each relevant financing in late 2025 as the weighting factor, serving as a benchmark for market standard as the Group's financing primarily originated from banks (excluding loans from Shenzhen Metro Group), with the financing cost primarily determined based on the LPR at the time of drawdown plus additional fixed margins that varied among different financing transactions), the Company considered that obtaining the Loan by entering into the Loan Framework Agreement would be prioritised for being the most effective way to raise funds for the Group. In addition, as disclosed in the section headed "THE 2026 LOAN FRAMEWORK AGREEMENT" above, the Company has been offered unsecured loans by Shenzhen Metro Group under the existing Designated Agreement(s). To ensure that the Loan are adequately secured with asset and reduce its financial risk, Shenzhen Metro Group has requested the provision of Asset Collateral in respect of the Designated Agreement(s) and the Definitive Agreements after the Company obtains the requisite approval from Independent Shareholders for the Loan Framework Agreement and the transactions contemplated thereunder (including the provision of Asset Collateral). Furthermore, the interest rate of the Loan and the initial loan-to-value ratio of the Asset Collateral were determined through amicable negotiations between the parties at a level acceptable and mutually beneficial to both the Company and Shenzhen Metro Group, taking into account the prevailing market rates and standards as detailed below.

Historical borrowing and collateral arrangements

The table below sets forth the details of the similar historical borrowing and collateral arrangements between the Company and Shenzhen Metro Group:

No.	**Transaction date**	**Maximum borrowing amount** *(RMB billion)*	**Term**	**Borrowing rate**	**Remark**
1	10 February 2025	2.8	3 years from the date of the first drawdown	One-year LPR less 76 basis point	The Group has provided asset collateral by pledging 211,530,417 shares of Onewo Inc. at a value of RMB4 billion, with a loan-to-value ratio of 70%
2	14 May 2025 (loan agreement) 7 July 2025 (asset collateral)	1.552	36 months	LPR less 76 basis points	The Group has provided asset collateral by pledging 116,887,490 shares of Onewo Inc. at a value of RMB2,215,714,286, with a loan-to-value ratio of 70%
3	21 February 2025 (loan agreement) 21 May 2025 (supplemental loan agreement)	4.2	36 months	LPR less 76 basis points	The Group has provided asset collateral by pledging 316,863,015 shares of Onewo Inc. at a value of RMB6 billion, with a loan-to-value ratio of 70%
4	30 July 2025	0.869	No later than 2 July 2028	LPR less 66 basis points	The Group has provided corresponding asset collateral at a total value of RMB1.2972 billion, including investment properties and fixed assets with a loan-to-value ratio of 70%, and equity interests in unlisted subsidiaries with a loan-to-value ratio of 50%

Note: For details, please refer to the Company's announcements dated 10 February, 14 May, 21 May, 3 July, 7 July and 30 July 2025.

Basis of determination

The Loan's interest rate and initial loan-to-value ratio of the Asset Collateral are similar to or more favorable than those of the similar historical borrowing and collateral arrangements between the Company and Shenzhen Metro Group as detailed in the table above, and taking into account (i) the interest rate of 2.34% or LPR minus 0.66% (i.e., 2.34% as at the date of this announcement) at the time of drawdown (whichever is higher) under the 2026 Loan Framework Agreement, which is lower than LPR (a centrally published market benchmark by the National Interbank Funding Center from time to time, which is widely adopted by PRC commercial banks for pricing corporate loans); and (ii) the loan-to-value ratios of 60% to 100% for operating properties, fixed assets, inventories, construction in progress and stocks, and 50% to 100% for equity interests held by the Group in unlisted companies, partnership interests, notes, certificates of deposit, creditor's rights, accounts receivable, rights to future project proceeds, other assets and property rights that may be pledged, mortgaged, or used as security pursuant to laws and administrative regulations, which are higher than or equal to the prevailing market standards of no less than five licensed banks in the PRC (including major representatives of state-owned commercial banks, joint-stock commercial banks and city commercial banks which, albeit on a non-exhaustive basis, are considered highly representative as they cover the principal types of domestic commercial banks) that generally ranges from 50% to 60% and 50% to 100%, respectively, the Company considered that the terms of the transactions, while adhering to market-oriented principles, are comparable to, or even more favorable as compared to the market rates. This fully reflects Shenzhen Metro Group's support for the Company.

As such, the interest rate under the 2026 Loan Framework Agreement and the loan-to-value ratio of the Asset Collateral, while adhering to market-oriented principles, are at least comparable to, or even more favorable than, the terms and rates obtained from the market. This fully reflects Shenzhen Metro Group's support for the Company. Based on the above, the Directors considered that the interest rate under the 2026 Loan Framework Agreement and the loan-to-value ratio of the Asset Collateral are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

In connection with the relevant drawdown of the Loan and in order to ensure the terms of the relevant Definitive Agreements are on normal commercial terms and fair and reasonable to the Company and Shareholders and are no less favourable to the Group than terms offered available to or from independent third parties, the Company has formulated the following internal control policies and adopted the following internal control measures:

(i) with regard to any amount drawdown, the Company expects that the corresponding value of the Asset Collateral shall maintain at level as the unpaid principal amount of the relevant Loan divided by the specified loan-to-value ratio under the Definitive Agreements. The designated responsible personnel of the finance and fund management department of the Company will monitor any repaid Loan principal, the level of loan-and-value ratio and the status and value of each Asset Collateral, in order to apply to or communicate with Shenzhen Metro Group to release or replace (as the case may be) the Asset Collateral thereto on a monthly basis;

(ii) designated responsible personnel of the finance and fund management department of the Company will closely monitor the outstanding Loan balances and interests to be repaid and report the latest status of the Loan granted to the finance department of the Company on a monthly basis to ensure that the proposed Annual Cap will not be exceeded. In the event the proposed Annual Cap is expected to be exceeded, the responsible staff would escalate the issue to the Board forthwith, and the Company would timely re-comply with the requirements under Chapter 14A of the Listing Rules;

(iii) designated responsible personnel of the finance and fund management department of the Company will, before the signing of each Definitive Agreement under the Loan Framework Agreement: (a) check the published LPR; and (b) compare the interest rate of the Loan with those published on the official websites or provided in quotations by at least two major commercial banks or financial institutions that are independent, licensed and reputable commercial lenders in the PRC. They serve as a benchmark of prevailing market standards for loans with similar terms, the comparison with which will help determine whether the interest rate charged under each Loan is in line with or better than the market rates and the Definitive Agreements are entered into on normal commercial terms. If the terms obtained through the above methods are more favorable to the Group than those provided in accordance with the Loan Framework Agreement, the finance and fund management department may not proceed with approving the proposed Definitive Agreement to be signed;

(iv) in selecting the appropriate Asset Collateral for each loan, the Company will designate responsible personnel of the finance and fund management department to determine the Asset Collateral through mutual agreement between the Company and Shenzhen Metro Group. While Shenzhen Metro Group may prioritise qualified assets with higher liquidity and security level as Asset Collateral, the Company shall undergo the below process in selecting such assets for Asset Collateral:

   (a) the Company will comprehensively consider the current operating status of the relevant assets, their role in the Company's overall planning and annual objectives, the assets' book value, its contribution to the Group's finance and operation, the potential impact on the Group if such assets were enforced by Shenzhen Metro Group, and the pledge/mortgage conditions of such assets. The goal is to select a relatively suitable assets as Asset Collateral while minimizing any impact on the Company's normal operations as well as financing and liabilities status; and

   (b) at the group level, a list of proposed assets for Asset Collateral will be generated by the Company. After communication and confirmation with the Group's regional companies or business units, the final proposed Asset Collateral with the assessment based on the above criteria will be passed to the Group's investment and financing committee for approval. Subsequently, a specific Definitive Agreement for the Asset Collateral will be signed with Shenzhen Metro Group and the relevant procedures will be completed.

In addition, to determine the loan-to-value ratio applicable to the relevant Asset Collateral, given that the prevailing industry is still in a period of recovery and adjustment and the subsequent market environment remains uncertain, the Company will take into account factors such as the stability of the subject asset value, liquidity, market trading activity, as well as industry and policy risks at the time of processing and handling the Asset Collateral, and determine based on consultation and negotiations with Shenzhen Metro Group;

(v) the Company will designate responsible personnel regarding the engagement of the independent valuer and the valuation of the Asset Collateral (as necessary), with the detailed mechanism set out below:

(a) evaluation of the valuer will be jointly undertaken by Shenzhen Metro Group and the Group, with personnel from Shenzhen Metro Group's finance, cost, legal and audit departments, as well as that from the Group's finance and fund management department, investment and development centre, and legal department;

(b) selection of the valuer will be conducted by an invitation tender process, whereby invitations would be sent to leading institutions based on their industry rankings and the evaluation process will involve merit-based selection, taking into account comprehensively the relevant experience, working team's composition, industry ranking, valuation work plan and fees, as well as quality assurance mechanism;

(c) it is expected that no less than three potential valuers will be invited to participate in the tender process;

(d) in accordance with the requirements of "Asset Appraisal Law of the People's Republic of China (《中華人民共和國資產評估法》)" and the "Measures for Financial Supervision and Administration of the Asset Appraisal Industry(《資產 評估行業財政監督管理辦法》)", the valuer, once selected, shall comply with the "Basic Standards for Asset Appraisal (《資產評估基本準則》)" issued by the Ministry of Finance and a series of asset appraisal standards promulgated by the China Asset Appraisal Association. Based on factors such as the appraisal purpose, appraisal object, value type and data collection, one to two applicable methods are selected from the three standard valuation methods, namely the market approach, income approach and cost approach, as well as their derivative methods; and

(e) the appraisal date will be determined based on the applicable circumstances of the appraisal subject, and will be as close as possible to the date of signing the agreement for the relevant Asset Collateral, so as to accurately reflect their value, which shall not be earlier than one year prior to the date of signing such agreement;

(vi) after the selection and execution of the Asset Collateral, the Company and Shenzhen Metro Group shall regularly assess the value of the relevant assets, either through internal evaluations based on operational and book value conditions, or by engaging third parties for periodic valuation assessments. If the assets value has declined substantially (e,g., to the extent that the relevant loan-to-value ratio exceeds the initially specified level), the Company may be required to provide additional or replacement assets in accordance with Shenzhen Metro Group's requirements. The process for supplementing or replacing assets is consistent with the internal control procedures for selecting and valuing the Asset Collateral as mentioned in sub-paragraphs (iv) and (v) above.

With respect to enforcement, according to the terms of executed definitive agreements for the relevant Asset Collateral, if the enforcement of the security would result in net proceeds therefrom exceeding the secured obligations under the specific definitive agreement, the surplus shall first be applied to repay other debts or amounts owed by the Company to Shenzhen Metro Group under the relevant Amended 2025 Loan Framework Agreement or the 2026 Loan Framework Agreement (as the case may be). If all debts under such framework agreement have been fully settled, the remaining balance will be returned to the Company. As the loans provided by Shenzhen Metro Group to the Company are determined and provided as an overall arrangement under the relevant framework agreement, the disposal of the corresponding Asset Collateral should likewise be considered on an overall basis, with full regard to the rights of other relevant parties entitled to statutory priority under applicable laws and regulations;

(vii) the Company's external auditor will conduct an annual review of the transactions entered into under the Loan Framework Agreement to ensure that the transaction amount is within the proposed Annual Cap and the transactions are in accordance with the terms set out in the Loan Framework Agreement; and

(viii) the Independent Non-executive Directors will conduct an annual review of the status of the transactions contemplated under the Loan Framework Agreement to ensure that the Company has complied with its internal approval process and the relevant requirements under the Listing Rules.

In light of the above, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the Loan Framework Agreement have been and will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole. The Board considers that the internal control procedures adopted in respect of the transactions contemplated under the Loan Framework Agreement are appropriate and that they will give sufficient assurance to the Shareholders that the transactions under the Loan Framework Agreement will be appropriately monitored by the Company.

INFORMATION OF THE PARTIES TO THE SUPPLEMENTAL AGREEMENT AND THE NEW AGREEMENT

1. Information on the Group

The Company is a joint stock limited company incorporated in the PRC on 30 May 1984, and its H shares are listed on the Main Board of Hong Kong Stock Exchange and its A shares are listed on the Shenzhen Stock Exchange. The Company is principally engaged in property development and property investment in the PRC.

2. Information on Shenzhen Metro Group

Shenzhen Metro Group, incorporated on 31 July 1998, is a large-scale state-owned proprietary enterprise under the direct control of the Shenzhen State-owned Assets Supervision and Administration Commission. Shenzhen Metro Group is principally engaged in metro constructions, rail operations, property development, commercial operations, property management, engineering investigations and design, etc. Shenzhen Metro Group has undertaken the construction of the "Combination of Three Rails into One" ("三鐵合一") project, combining national railways, intercity railways and urban rail transit, and the operation of the "four-in-one" ("四位一體") core value chain consisting of railway construction, railway operation, station-city development and resource management, and is striving to build up an open, innovative and inclusive "Railway+" ecosystem.

IMPLICATIONS UNDER THE LISTING RULES

The Company has strictly complied with the announcement and Independent Shareholders' approval requirements regarding continuing connected transactions under the 2025 Loan Framework Agreement. As the Supplemental Agreement constitutes a material change to the terms of the Original Agreement, the Company is required to re-comply with the announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Supplemental Agreement and the transactions contemplated thereunder.

As at the date of this announcement, Shenzhen Metro Group is a substantial Shareholder holding approximately 27.18% of the total issued share capital of the Company, and hence a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the 2026 Loan Framework Agreement and transactions contemplated thereunder (including the proposed Annual Cap and the provision of the Asset Collateral) constitute a continuing connected transaction of the Company.

As one of the applicable percentage ratios in respect of the 2026 Loan Framework Agreement and transactions contemplated thereunder exceeds 5%, it constitutes a continuing connected transaction of the Company and, together with the proposed Annual Cap, are subject to the reporting, announcement, annual review, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The related Directors, namely Mr. HUANG Liping and Mr. LEI Jiangsong, have abstained from voting on the Board resolution in respect of this matter. Save for the aforesaid, none of the other Directors has any material interest in this matter, and no Director is required to abstain from voting on this resolution.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee has been established to advise the Independent Shareholders as to whether the terms of the transactions contemplated under the Supplemental Agreement to the 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement (including the proposed Annual Cap and the provision of the Asset Collateral) are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business and whether they are in the interests of the Company and its Shareholders as a whole. The Independent Financial Advisor has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether or not the terms of the Supplemental Agreement to the 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement (including the proposed Annual Cap and the provision of the Asset Collateral) are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business so far as the Independent Shareholders are concerned and are in the interest of the Company and the Shareholders as a whole.

GENERAL MEETING

The General Meeting will be convened for the Shareholders to consider and, if thought fit, approve, among other things, the Supplemental Agreement to the 2025 Loan Framework Agreement, the 2026 Loan Framework Agreement and the transactions contemplated thereunder.

In accordance with the Listing Rules, any Shareholders who has a material interest in the Supplemental Agreement to the 2025 Loan Framework Agreement, the 2026 Loan Framework Agreement and the transactions contemplated thereunder shall abstain from voting on the resolutions to approve the Supplemental Agreement to the 2025 Loan Framework Agreement, the 2026 Loan Framework Agreement and the transactions contemplated thereunder at the General Meeting. As at the date of this announcement, 3,242,810,791 A Shares were directly held by Shenzhen Metro Group, representing approximately 27.18% of the total issued share capital of the Company. Accordingly, Shenzhen Metro Group will be required to abstain from voting on the relevant resolutions at the General Meeting.

Save as disclosed above, to the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, no other Shareholder has a material interest in the transactions and will be required to abstain from voting on the relevant resolutions to approve the Supplemental Agreement to the 2025 Loan Framework Agreement and the 2026 Loan Framework Agreement and the transactions contemplated thereunder at the General Meeting.

A circular containing, among other things, (i) details of the Supplemental Agreement to the 2025 Loan Framework Agreement; (ii) details of the 2026 Loan Framework Agreement (including the proposed Annual Cap and the provision of the Asset Collateral); (iii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders; (iv) a letter of advice from the Independent Financial Advisor to the Independent Board Committee and the Independent Shareholders; and (v) a notice of the General Meeting, is expected to be despatched to the Shareholders no later than 14 May 2026.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the meanings as follows:

"2025 Loan Framework Agreement" or "Original Agreement"	the framework agreement on shareholder loan and asset collateral dated 2 November 2025 entered into between the Company and Shenzhen Metro Group in respect of the loan in the aggregate principal amount of up to RMB22,000,000,000
"2026 Loan Framework Agreement", "Loan Framework Agreement" or "New Agreement"	the framework agreement on shareholder loan and asset collateral dated 12 May 2026 entered into between the Company and Shenzhen Metro Group in respect of the Loan, with a proposed term of three years from the Effective Date, subject to extension as agreed between the parties
"A Share(s)"	domestic ordinary shares of RMB1.00 each in the share capital of the Company, which are listed on the Shenzhen Stock Exchange (stock code: 000002) and traded in RMB
"A Shareholder(s)"	holder(s) of the A Share(s)
"Amended 2025 Loan Framework Agreement"	the 2025 Loan Framework Agreement as amended and supplemented by the Supplemental Agreement
"Annual Cap(s)"	the proposed annual cap(s) pursuant to the 2026 Loan Framework Agreement, as set out in the section headed "Proposed Annual Caps and Basis of Determination" in this announcement
"Asset Collateral"	the collateral or pledge of assets to be provided by the Group or a third party designated by the Company in favor of Shenzhen Metro Group, serving as security for the separate loan(s) to be made under (i) the Amended 2025 Loan Framework Agreement; or (ii) the 2026 Loan Framework Agreement (as the case may be)
"Available Period"	has the meaning ascribed thereto under this announcement
"Board"	the board of Directors
"Company"	China Vanke Co., Ltd.*(萬科企業股份有限公司), a joint stock company established in the PRC with limited liability on 30 May 1984, the H Shares of which are listed on the Hong Kong Stock Exchange (stock code: 2202) and the A Shares of which are listed on the Shenzhen Stock Exchange (stock code: 000002)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules

"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Definitive Agreement(s)"	definitive loan agreements, security agreement or security documents (as the case may be) entered into or to be entered into between the Company and Shenzhen Metro Group pursuant to the 2026 Loan Framework Agreement in respect of the Loan and/or the Asset Collateral, which also include the Designated Agreement(s)
"Designated Agreement(s)"	has the meaning ascribed thereto under this announcement
"Director(s)"	the director(s) of the Company
"Effective Date"	the date on which all the condition precedents under the 2026 Loan Framework Agreement are satisfied
"Executive Director(s)"	the executive director(s) of the Company
"General Meeting"	the general meeting convened by the Company from time to time
"Group"	the Company and its subsidiaries
"Guarantee"	a joint and several guarantee to be provided by the Company's subsidiary or a third party designated by the Company in favour of Shenzhen Metro Group, serving as security for each of the loan(s) under (i) the Amended 2025 Loan Framework Agreement; or (ii) the 2026 Loan Framework Agreement (as the case may be); and the "Guarantor" shall be defined accordingly
"H Share(s)"	the overseas listed foreign share(s) of the Company, with nominal value of RMB1.00 each, which are listed on the Stock Exchange (stock code: 2202) and traded in Hong Kong dollars
"H Shareholder(s)"	holder(s) of the H Share(s)
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Independent Financial Adviser"	Octal Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed as the independent financial adviser to make the relevant recommendation to the Independent Board Committee and the Independent Shareholders in relation to the Supplemental Agreement to the 2025 Loan Framework Agreement, the 2026 Loan Framework Agreement and the transactions contemplated thereunder (including the proposed Annual Cap and the provision of the Asset Collateral)
"Independent Non-executive Director(s)"	the independent non-executive director(s) of the Company
"Independent Shareholder(s)"	the Shareholders other than Shenzhen Metro Group and its associates
"Independent Third Party(ies)"	an individual or a company which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules and is/are third party(ies) independent of the Company and its connected person
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan"	the loan in the aggregate principal amount of up to RMB2,500,000,000 to be provided by Shenzhen Metro Group to the Company, in accordance with and subject to the terms and conditions of the 2026 Loan Framework Agreement
"loan-to-value ratio"	the security level for the collateral or pledge of assets under the relevant Asset Collateral, the calculation formula for which is set out in the "Letter from the Board" section of this announcement
"LPR"	the loan prime rate as published by the National Interbank Funding Center (authorized by the People's Bank of China) as at the applicable business day prior to the relevant drawdown date of the Loan
"Non-executive Director(s)"	the non-executive director(s) of the Company
"PRC" or "China"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC

"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	A Share(s) and H Share(s)
"Shareholder(s)"	shareholder(s) of the Company
"Shenzhen Metro Group"	Shenzhen Metro Group Co., Ltd. (深圳市地鐵集團有限公司), a state-owned proprietary enterprise established in the PRC on 31 July 1998, which primarily engages in metro constructions, rail operations, property development, commercial operations, property management, engineering investigations and design, etc. and is an existing substantial Shareholder of the Group and a connected person of the Company
"Supplemental Agreement to the 2025 Loan Framework Agreement" or "Supplemental Agreement"	the supplemental agreement dated 12 May 2026 entered into between the Company and Shenzhen Metro Group in respect of the 2025 Loan Framework Agreement, the details of which are set out in this announcement
"substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

The Board of Directors
China Vanke Co., Ltd.*

Shenzhen, the PRC, 12 May 2026

As at the date of this announcement, the Board of the Company comprises Mr. HUANG Liping, Mr. HU Guobin, and Mr. LEI Jiangsong as non-executive directors; Ms. WANG Yun as an executive director; and Mr. LIU Tsz Bun Bennett, Mr. LIM Ming Yan, Dr. SHUM Heung Yeung Harry and Mr. ZHANG Yichen as independent non-executive directors.

* *For identification purpose only*